

Colorado

Colorado PUC Consumer Assistance Summary - fiscal years 1991-92 through 1996-97
US West numbers only — statewide

Fiscal Years Ending June 30	Consumer Contacts	Utility in Compliance	Utility not in Compliance	Objections to Rates or Services
1997	3,501	not avail.	454	2,448
1996	4,940	41	1,714	2,475
1995	4,838	223	2,143	1,913
1994	3,126	347	810	1,127
1993	2,609	427	695	625
1992	2,235	121	474	401

*Note: Fiscal years are for July 1 through June 30.
Source: Colorado Public Utilities Commission*

ber Wenzel was complaining to the PUC that the line hadn't been installed. The next month private1 finally got its line.

But by that time, the company had lost three or four potential customers who mentioned the lack of a back-up line as a reason they opted not to choose private1. They might have brought in \$200 to \$1,000 a month in business, Wenzel says.

In another instance, he noticed that he was getting usage out of only 18 of 24 lines in a "hunt group," in which calls were supposed to be automatically routed to unoccupied lines. After two days of inquiries, U S West finally admitted that its local switch was not capable of hunting past 16 lines, he says. Customers were getting busy signals as they tried to access the Internet through private1. Wenzel started getting a "little freaked," and the problem was finally fixed — after a complaint to the PUC.

Now, private1 is getting most of its services through Englewood-based ICG Communications Inc.

"ICG has been a lot better to work with," Wenzel says. It's not perfect, he adds, but service is superior, and pricing is "worlds better" than U S West in all but one category — "frame relay" transport of data.

New competition

PUC spokesman Terry Bote says ICG is one of four providers in Colorado that have received full approval from the PUC. The other three are New York-based Teleport Communications Group Inc., which in January became the first competitor to offer local dial-tone service in Boulder-Denver; MCImetro, a subsidiary of Washington, D.C.-based MCI Telecommunications Corp.; and Cedar Rapids, Iowa-based McCloud USA,

which hasn't started service yet.

More than a dozen other companies have received operating certificates but haven't finalized pricing, so they're not yet permitted to operate.

Cindy Schonhaut, spokeswoman for ICG, says her company is concentrating on business service. It technically offers residential service by reselling U S West service, but it is not marketing it. She says ICG offers better quality, lower prices and better service than U S West, but it faces an uphill battle against the entrenched giant.

MCImetro is offering local service to large and medium-sized businesses in Boulder and Denver but has not yet started residential service. For a Boulder business to use the service, it would need to lease a high-capacity line to Denver to connect with MCI's switch and fiber-optic rings there. Typically, a business would need at least 20 lines to make that change from U S West economical, says Bill Levis, director of public policy for MCImetro in Denver.

MCI is touting its customer service advantages over U S West, including a single person to contact about problems and single billing for long distance, local, Internet access, wireless and data services. It also trumpets its 24-hour-a-day, seven-day-a-week customer service. Those advantages have been paying off in the 25 markets in the country where it offers local service, says spokesman Steve McAbee. Since January, its minutes of local calls per day have increased seven-fold, from 2 million to 14 million, he says.

MCI has been delayed in offering local service to Colorado residents and small businesses because of problems in the interface with U S West. It wants computer-to-computer communication with

U S West for switching customers and hopes U S West will have that capability by the end of this year.

TCG, which is 31 percent owned by cable TV company Tele-Communications Inc., also offers competitive service in Boulder County, concentrating on the business market.

In November, McCloud USA will begin offering resale of U S West service to businesses and residents in Pueblo, Fort Collins, Greeley and Loveland. Key to its marketing will be the inclusion of three free features — three-way calling, call transfer and consultation hold — in its local service. McCloud will expand to Boulder some time next year, says spokesman Justin Saylor.

Jumping ship

As competition accelerates, U S West's main advantage will be customer inertia, says Terry Parrish, strategist for Communications Technology Management, a Berthoud-based telecommunications advisory firm. But there are those who will switch.

"I think most of the people tell me that, when they get the chance to go to Jones Telephone, they'll jump ship," Parrish says. "Whenever I get the chance, I certainly will."

He projects that U S West might have less than half of the total market share for local phone service in its territory in 10 years. "I just think people are tremendously frustrated by the past performance of U S West," he says.

What has caused U S West's customer-service problems?

Parrish blames it on the company's recent history of re-engineering and layoffs, first announced in 1993. "When your quality of service is so low, and they opt to lay off people when their quality of service is so bad, that tells me they are more interested in profit than quality of service," says Parrish.

rish.

Callaghan also emphasizes the recent cuts. "They re-engineered and downsized while demand increased for phone service," she said.

Those huge shifts translated into problems for certain customers, some of whom are still not happy. Condo developer Young continues to live with his own small battle on Iris Avenue. The ditch that Public Service dug continues to be occupied only by gas, electric

and cable TV lines. Young's own condo has five lines, and US West has been out to fix them twice in the last month.

At one point, he almost relented. He was about to pay the \$600 to \$800 necessary to open up the trench. But US West told him it would not guarantee a date to show up, so he refused to sign a contract.

"I decided to dig in my heels and not put in the trench," he

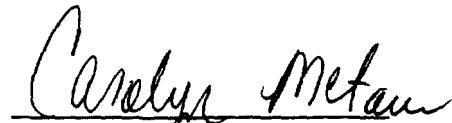
says.

Not too long ago, he got a promising call from a US West representative in Phoenix. The rep checked things out and then called Young back. US West would open the ditch and put in the service in two weeks. Eureka. "I was touting it as quite a victory," Young says.

But the man promised installation in two weeks. That was more than three weeks ago. No one has appeared. ■

CERTIFICATE OF SERVICE

I, Carolyn McTaw, do hereby certify that on this 3rd day of October, 1997, I caused a copy of the foregoing Comments of AT&T Corp. and MCI Telecommunications Corporation to be served upon each of the parties listed on the attached Service List by U.S. First Class mail, postage prepaid.


Carolyn McTaw

SERVICE LIST

The Honorable Reed E. Hundt
Chairman
Federal Communications Commission
1919 M Street, N.W., Room 814
Washington, D.C. 20554

The Honorable Rachelle B. Chong
Commissioner
Federal Communications Commission
1919 M Street, N.W., Room 844
Washington, D.C. 20554

The Honorable Susan Ness
Commissioner
Federal Communications Commission
1919 M Street, N.W., Room 832
Washington, D.C. 20554

The Honorable James H. Quello
Commissioner
Federal Communications Commission
1919 M Street, N.W., Room 802
Washington, D.C. 20554

The Honorable Julia Johnson
State Chair
Chairman
Florida Public Service Commission
2540 Shumard Oak Boulevard
Gerald Gunter Building
Tallahassee, FL 32399-0850

The Honorable David Baker
Commissioner
Georgia Public Service Commission
244 Washington Street, S.W.
Atlanta, GA 30334-5701

The Honorable Sharon L. Nelson
Chairman
Washington Utilities and
Transportation Commission
1300 South Evergreen Park Dr., SW
P.O. Box 47250
Olympia, WA 98504-7250

The Honorable Laska Schoenfelder
Commissioner
South Dakota Public Utilities Commission
State Capitol, 500 East Capitol Street
Pierre, SD 57501-5070

Martha S. Hogerty
Missouri Office of Public Council
301 West High Street, Suite 250
P.O. Box 7800
Jefferson City, MO 65102

Tom Boasberg
Office of the Chairman
Federal Communications Commission
1919 M Street, N.W., Room 814
Washington, D.C. 20554

Charles Bolle
South Dakota Public Utilities Commission
State Capitol, 500 East Capitol Street
Pierre, SD 57501-5070

Deonne Bruning
Nebraska Public Service Commission
300 The Atrium, 1200 N Street
P.O. Box 94927
Lincoln, NE 68509-4927

James Casserly
Commissioner Ness' Office
Federal Communications Commission
1919 M Street, N.W., Room 832
Washington, D.C. 20554

Rowland Curry
Texas Public Utility Commission
1701 North Congress Avenue
P.O. Box 13326
Austin, TX 78701

Bridget Duff, State Staff Chair
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0866

Kathleen Franco
Commissioner Chong's Office
Federal Communications Commission
1919 M Street, N.W., Room 844
Washington, D.C. 20554

Paul Gallant
Commissioner Quello's Office
Federal Communications Commission
1919 M Street, N.W., Room 802
Washington, D.C. 20554

Emily Hoffnar, Federal Staff Chair
Federal Communications Commission
Accounting and Audits Division
Universal Service Branch
2100 M Street, N.W., Room 8617
Washington, D.C. 20554

Lori Kenyon
Alaska Public Utilities Commission
1016 West Sixth Avenue, Suite 400
Anchorage, AK 99501

Debra M. Kriete
Pennsylvania Public Utilities
Commission
North Office Building, Room 110
Commonwealth and North Avenues
P.O. Box 3265
Harrisburg, PA 17105-3265

Sandra Makeef
Iowa Utilities Board
Lucas State Office Building
Des Moines, IA 50319

Philip F. McClelland
Pennsylvania Office of Consumer
Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Thor Nelson
Colorado Office of Consumer Counsel
1580 Logan Street, Suite 610
Denver, CO 80203

Barry Payne
Indiana Office of Consumer Counsel
100 North Senate Avenue
Room N501
Indianapolis, IN 46204-2208

Timothy Peterson, Deputy Division Chief
Federal Communications Commission
Accounting and Audits Division
2100 M Street, NW, Room 8613
Washington, D.C. 20554

James B. Ramsay
National Association of Regulatory
Utility Commissioners
1100 Pennsylvania Avenue, NW
P.O. Box 684
Washington, D.C. 20044-0684

Brian Roberts
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Kevin Schwenzfeier
NYS Dept. of Public Service
3 Empire State Plaza
Albany, NY 12223

Tiane Sommer
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334-5701

Sheryl Todd (plus 8 copies)
Federal Communications Commission
Accounting and Audits Division
Universal Service Branch
2100 M Street, NW, Room 8611
Washington, D.C. 20554

Margot Smiley Humphrey, Esq.
Koteen & Naftalin, L.L.P.
1150 Connecticut Avenue, N.W.
Suite 1000
Washington, D.C. 20036

Irwin, Campbell & Tannenwald, P.C.
1730 Rhode Island Avenue, N.W.
Suite 200
Washington, D.C. 20036

Joe D. Edge, Esq.
Drinker Biddle & Reath LLP
901 Fifteenth Street, N.W.
Suite 900
Washington, D.C. 20005

Gail L. Polivy
GTE Service Corporation
1850 M Street, NW
Suite 1200
Washington, DC 20036

Richard McKenna
GTE Telephone Operations
600 Hidden Ridge
Irving, TX 75038

Jeffrey S. Linder
Gregory J. Vogt
Suzanne Yelen
Wiley, Rein & Fielding
1776 K Street, NW
Washington, DC 20006

Michael S. Pabian
Counsel for Ameritech
Room 4H82
2000 West Ameritech Center Drive
Hoffman Estates, IL 60196-1025

Sprint Local Telephone Companies
Jay C. Keithley
Sandra K. Williams
1850 M Street
Suite 1110
Washington, DC 20036

BellSouth Corporation
M. Robert Sutherland
Richard M. Sbaratta
Rebecca M. Lough
Suite 1700
1155 Peachtree Street, NE
Atlanta, GA 30309-3390

US West, Inc.
Robert B. McKenna
John L. Traylor
Suite 700
1020 19th Street, NW
Washington, DC 20036

The Bell Atlantic Telephone Companies
Joseph Di Bella
1320 North Court House Road
Eighth Floor
Arlington, VA 22201

Kathleen Q. Abernathy
David as a. Gross
AirTouch Communications, Inc.
1818 N Street, NW
Suite 800
Washington, DC 20036

Florida Public Service Commission
Cynthia B. Miller
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Aliant Communications Co.
Robert as a. Mazer
Albert Shuldiner
Allison S. Yamamoto
Vinson & Elkins LLP
1455 Pennsylvania Avenue, NW
Washington, DC 20004-1008

Rural Utilities Service
Adam Golodner
Deputy Administrator
1400 Independence Ave SW
Washington, DC 20250

Northern Telecom, Inc.
Stephen L. Goodman
Halprin, Temple, Goodman & Sugrue
1100 New York Avenue, NW
Suite 650, East Tower
Washington, DC 20005

John G. Lamb, Jr.
Northern Telecom Inc.
2100 Lakeside Boulevard
Richardson, TX 75081-1599